

TO: REALTORS® in LIMITED FUNCTION REFERRAL OFFICES
(LFRO'S)

FROM: KREC Legal Department

RE: GUIDELINES AND RULES FOR LFRO'S

At its 2003 Midyear Meeting, the National Association of Realtors® (“NAR”) passed a new bylaw amendment, which will allow a Realtor® to be a member of a Limited Function Referral Office (“LFRO”). While in this office, the Realtor® will not be subject to the full Board dues. The Realtor® will still be required to have an active Kentucky license and to pay for an errors and omissions policy.

In order to be in the LFRO and not owe the dues, the Realtor® must simply refer clients or customers to other licensees and must refrain from any “listing, selling, leasing, managing, counseling, appraising” or auctioneering of real property.

Please log onto the NAR’s website to obtain an official copy of the new policy.